

SUSTAINABILITY
REPORT
2018



Coca-Cola

Hellenic Bottling Company

COCA-COLA HBC ČESKO A SLOVENSKO IN NUMBERS

441 LITRES OF BEVERAGES

37 000 CUSTOMERS

966 EMPLOYEES

28 PERCENT
of its production is for export
to 10 countries

13 DISTRIBUTION CENTERS

6 KEY SUPPLIERS

3 DISTRIBUTION CENTRES

1 PRODUCTION PLANT

WORD OF INTRODUCTION

Dear Readers,

It is my pleasure to be able to present to you our 2018 Sustainability Report. Sustainability is a fundamental pillar of our business and is a part of everything that we strive for or create.

In 2018, we progressed along our path to becoming a 24/7 company that offers all types of beverages for all occasions. The heart and centre of our business are consumers and customers, and we do everything to ensure that we are able to offer beverages that interest people and respect their lifestyle. For the first time in the history of our company, we began distributing premium alcoholic drinks to our customers. At the beginning of 2018, we entered into a partnership with the Gruppo Campari, and at the end of the year with the Edrington group.

We made significant progress in our investments and in modernising our plant in Prague – Kyje. On the occasion of the 25th anniversary of the establishment of the production plant, we launched two new production lines in the presence of distinguished guests. One such line is a unique aseptic line for manufacturing sensitive beverages free of preservatives, such as our plant-based beverages AdeZ. We were the first in the entire Coca-Cola HBC Group to start making those beverages, and we export them to 10 countries.

Our team's work and results were rewarded by experts across many fields throughout the year. Our campaigns linked to the Olympic Games and Superstar won us the Effie and Flema awards. Our summer campaign, continuing in the effort to realise the greatest possible localisation and get close to Czech and Slovak Consumers, earned the Popai award. At the end of the year, experts from the sphere of sustainability rewarded our approach to water management, with a golden certificate for a TOP responsible company in the sphere of the environment.

Throughout 2018, we carried on with our flagship community programme "To dáš!" established under the Youth Empowered group initiative. With our strategic partner, the Tereza Maxová Foundation, we invited another important partner to the project – ICF – International Coach Federation. At the end of the year, we also launched a pilot of the project in Slovakia.

At the end of 2018, our group set sustainable development objectives for itself, this time through to 2025. We divide the objectives into the following pillars – emissions reduction, water reduction and stewardship, the World Without Waste initiative, sourcing, nutrition and further reduction of the sugar content of our beverages, and last but not least, our people and their communities

As an employer, we continued to strive to offer a work environment that inspires people and fosters personal growth, the acquisition of new knowledge and skills. A work environment that can appreciate speed and flexibility, and where diversity of views and opinions is always welcome.

I believe that you, too, find sustainability appealing. I wish you pleasant reading and I would appreciate your feedback.

Maria Anargyrou-Nikolić,
General Manager
Coca-Cola HBC Česko a Slovensko



In 2018, the Coca-Cola Hellenic Bottling Company group set sustainability targets for the upcoming period, through to 2025.

**WE HAVE DIVIDED THE TARGETS INTO
THE FOLLOWING PILLARS:**

EMISSIONS REDUCTION/pillar No. 1

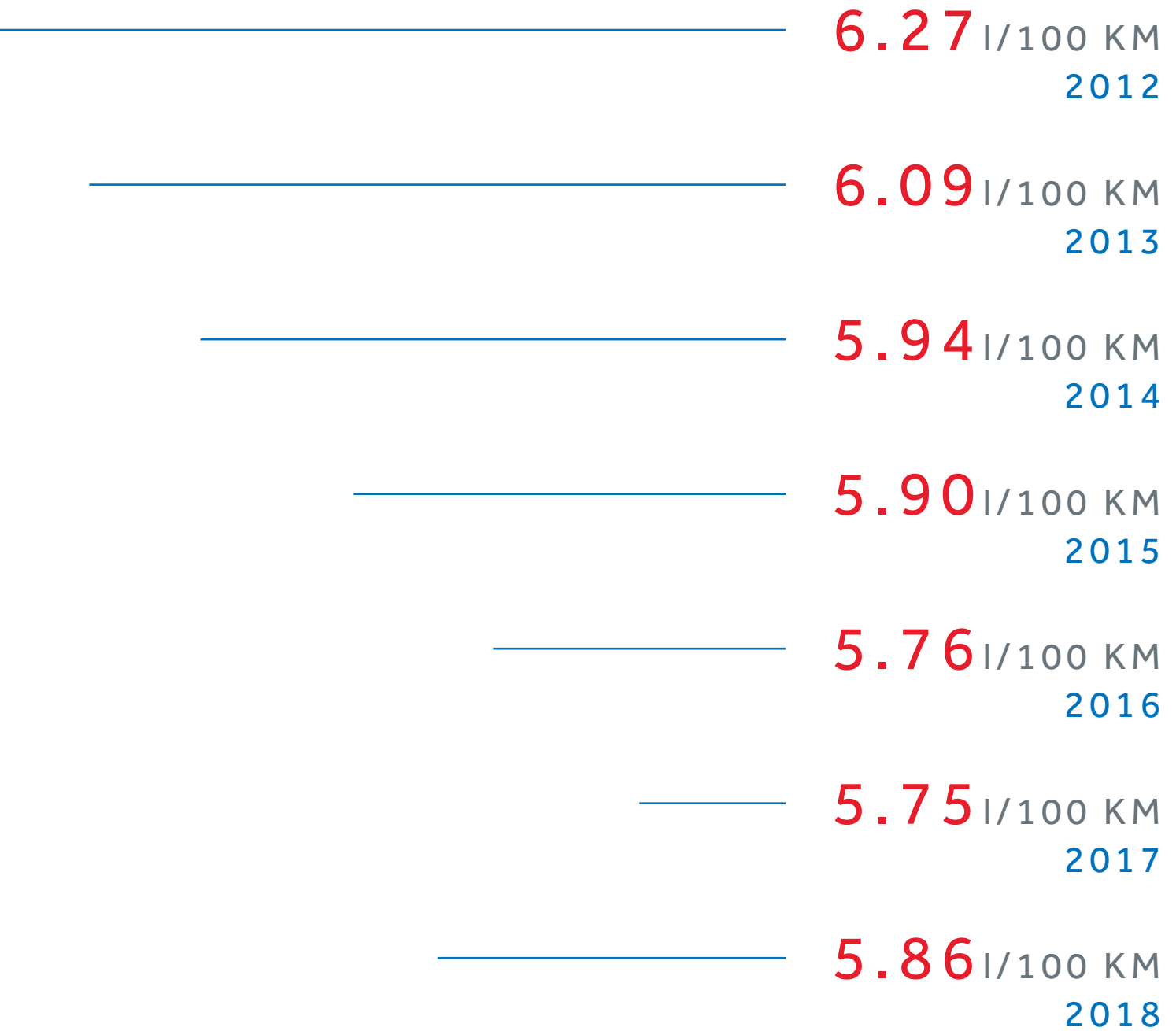
WATER REDUCTION & STEWARDSHIP/pillar No. 2

WORLD WITHOUT WASTE/pillar No. 3

SOURCING/pillar No. 4

NUTRITION/pillar No. 5

OUR PEOPLE & COMMUNITIES/pillar No. 6



The slight increase in consumption was due to switching most of the fleet over to petrol engines, which are clean in terms of emissions, but have a slightly higher fuel consumption.

1ST PILLAR: EMISSIONS REDUCTION

We continue to seek activities and solutions that will help reduce the environmental impact of our activities.

FEWER EMISSIONS IN OUR OPERATIONS:

We have undertaken to reduce the direct carbon footprint of our operations by 30% and, on top of that, we have committed to 50% of the total energy used at our plants being from renewable and clean sources. We have introduced an internationally recognised environmental management system (ISO 14000) and energy management system (ISO 50001) in all our plants.

In 2018, we used 32.59g of CO₂ per litre of beverages produced (compared to 83g per litre of beverages in 2016). That means that, since 2010, we have reduced the CO₂ production per litre of beverages produced by more than 70%.

100% of the electricity used by our Prague production plant comes from renewable sources.

We provide our customers with energy-efficient coolers. Their new generation is 57% more efficient, using new coolants and not contributing to global warming. By the end of 2018, we replaced 13% of all our coolers. By 2025, we want to reach a 50% market share.

NO_x emissions are monitored only in the case of a furnace facility that is only used in the Czech Republic as a back-up source, in the event of an outage in external heat supply.

We manage energies as efficiently as possible and continuously improve energy-efficiency: we reduce energy consumption, use electricity from renewable sources, and reduce our carbon footprint across all processes within the company.

From an average energy consumption of 0.83 MJ/litre of beverages produced in 2008, **we reduced our consumption in the Czech Republic to 0.64 MJ/ litre of beverages produced in 2018.**

All our products are delivered by road. In 2018, we used 519 passenger cars for administrative and sales purposes. For product delivery, we use our own vehicles as well as third-party vehicles.

7 AFFORDABLE AND
CLEAN ENERGY



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



“We continuously upgrade our fleet. We manage our fleet as efficiently as possible, using automobiles with optimal capacity that comply with the current EURO 5 emission standard. The average fuel consumption dropped from 6.27 l/100 km in 2012 to 5.86 l/100 km in the Czech Republic and 5.92 l/100 km in Slovakia in 2018.”

Alena Hošková,
Fleet Specialist



2ND PILLAR: WATER REDUCTION & STEWARDSHIP

Water is an absolutely key value for us. We have taken a comprehensive approach to reducing the water footprint per litre of beverages produced. We are transparent, which is why we openly communicate the aggregate water consumption at our company per 1 litre of beverages produced, in order to be able to show our water footprint to our employees, customers, as well as the general public. We hold the EWS (European Water Stewardship) certificate, which pertains to the monitoring of water source protection and is supported by EU policy.

WATER CONSUMPTION PER LITRE OF BEVERAGES:

In 2008 **2,97 l** / l of beverages produced

In 2017 **1,70 l** / l of beverages produced

In 2018 **1,92 l** / l of beverages produced

6 CLEAN WATER
AND SANITATION



14 LIFE
BELOW WATER



15 LIFE
ON LAND



ZLATÁ
TOP ODPOVĚDNÁ
FIRMA V ŽIVOTNÍM
PROSTŘEDÍ 2018

cena Byznysu pro společnost

COCA COLA HBC ČESKO A SLOVENSKO
EARNED THE PRESTIGIOUS TOP
ENVIRONMENTALLY RESPONSIBLE
COMPANY OF 2018 AWARD, WITH
ITS PROJECT MINIMUM BEVERAGE
WATER FOOTPRINT.

“Responsibility towards the environment is a key topic for us in the sphere of sustainability, in which we have made great progress in recent years. We significantly reduced not only water consumption at our Prague production plant, but also electricity consumption and CO2 emissions. We are therefore really proud that our results won us this prestigious award,”

Maria Anargyrou-Nikolić.

CEO of Coca Cola HBC Česko a Slovensko,
in commenting on the victory

“The year-on-year increase in water consumption is due to the launch of a new aseptic production line for AdeZ products as well as the need to test new technologies. Our targets for 2019 are, however, high again, and we will carry on with Water reduction & stewardship.”

Anca Nartescu.

Head of the Production Plant



3RD PILLAR: WORLD WITHOUT WASTE

The vision of the Coca-Cola World Without Waste system strives to address the global problem of packaging waste. We believe that each piece of packaging has its value and use, and once it has completed its original task, its collection should be ensured, whether for the production of a new packaging item or for other beneficial use.

By 2015, we want to help by collecting waste in a volume corresponding to an equivalent of 75% of packaging materials.

All our packaging is recyclable. In the Czech Republic, we take part in the integrated EKO-KOM Joint Filling System, which we helped establish in 1997.

We are increasing the recycled matter content of PET bottles. In producing PET bottles with a volume of 1.75 l and more, we use up to 30% of recycled matter. In producing glass bottles, we use secondary material – recycled matter – making up to 75% of coloured bottles.

At our production plant, we have nearly doubled the share of recycled waste, from 52% in 2009 to 99% in 2018.

We keep reducing the share of waste produced per litre of beverages produced: from 22 g/l in 2008 to 14.8 g/l in 2018.



4TH PILLAR: SOURCING

We cooperate with more than a thousand suppliers, most of whom come from the Czech Republic and Slovakia.

100% of our strategic suppliers have signed the Principles of Cooperation with Contractors, which commit us to cooperate only with suppliers who share our values, concerning approach to environmental protection, human rights protection and a responsible approach to people, and occupational safety and health principles.

The Coca-Cola HBC Group does not use ingredients or components that have been genetically modified or come from genetically modified organisms in any of the 28 countries it serves.

If you want to discover more, read here about [Genetically modified organisms](#)



5TH PILLAR: NUTRITION

We take part in experiencing everything that is of interest to our consumers, support their active lifestyles, and strive to offer them beverages that meet their idea of a balanced drinking regime. In 2018, we continued to reduce the sugar content of our beverages. Furthermore, we offer consumers a sugar-free version of all our beverages, while retaining the same taste.

In a year-on-year comparison (2017-2018), the sale of Zero and Light versions of our carbonated drinks was up by 14%. The share of sugar-free beverages in the whole portfolio of carbonated beverages grew to 15.4% (by another 2.1% from 13.3%).



In April 2018, we became the first and only company in the Coca-Cola HBC Group to start producing beverages derived from plants, under the brand AdeZ, which can serve as an excellent alternative for consumers who cannot, or for whatever reason do not want to, consume dairy products.

We believe that people should find clear nutrition information easily on all our packages. The labels on our beverages therefore clearly state the calorie, sugar, fat, saturated fat, and salt content, both in absolute terms and as a percentage of recommended daily intake. This data is shown on individual packages as a proportion of healthy nutrition, helping consumers better understand the precise share of a specific beverage in their daily energy (calorie) and sugar intake.

Energy	Fat	Saturates	Sugar	Salt
105 kcal 450 kJ	0.0g	0.0g	27g	0.0g
5%	<1%	<1%	29%	<1%

3 GOOD HEALTH
AND WELL-BEING



6TH PILLAR: OUR PEOPLE & COMMUNITIES

We value the skills and expertise of our employees and, together with them, are developing a work environment that motivates them and offers them interesting opportunities for development, growth, and career-building.

We support diversity and an inclusive corporate culture, offering – depending on the nature of the position – flexible workhours, part-time jobs, or home office. We honour the principles of equal opportunities regardless of race, gender, sexual orientation, confession, nationality, or physical handicap.

We invest in attracting, training, and retaining talented people.

We believe that gender-balanced teams working in an inclusive environment are more productive and more innovative and achieve better results. We revise our procedures and strive for our recruitment campaigns to address everyone without distinction. We are also developing a comprehensive management development programme that will help our leaders build a diverse work environment in which everyone will feel in the right place.

284 WOMEN, **531** MEN

Czech Republic

59 WOMEN, **92** MEN

Slovakia

“Our pillars and corporate social responsibility projects are among the reasons why candidates are interested in working at our company.”

Michaela Madová,
Talent Acquisition Manager



Women hold, for example, the position of the CEO, HR Director, production plant head, and quality manager.

We respect our employees' right to join the Works Council that serves as an intermediary in the dialogue between employees and the company's management. The councils in the Czech Republic and Slovakia represent all the Company's departments and meet monthly. We are aware of the importance of non-financial benefits, allowing our employees to invest in employee shares or get discounts from the prices of various holiday and wellness stays. Loyal employees are rewarded for every five years at the company.

OCCUPATIONAL SAFETY AND HEALTH

We develop, innovate, and apply an effective occupational safety and health system. We keep improving our procedures for reducing risks related to our employees' daily activities. We are actively involving them in risk remedies, which is documented by the increased number of near misses reported in 2018.

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



17 PARTNERSHIPS FOR THE GOALS



HOLDING TOOLBOX TALKS

"Risk prevention conducted on a continuous basis has worked well for us. That is one of the reasons why our managers are holding these meetings. Clear and quick."

Pavla Holečková,
Quality Manager

WE ARE NOT DONE DEVELOPING OUR EMPLOYEES

THE TO DÁŠ! PROJECT

The project that translates as "You can do it" was formed in line with the international Coca-Cola HBC Group Youth Empowered strategy that we transferred to the Czech Republic in cooperation with the Tereza Maxová Foundation back in 2017. In 2018, we invited the Czech branch of the International Coach Federation to join. With its assistance, we expanded the project to focus on secondary school students. We want to offer skills training and then jobs or work experience to young people with disadvantaged backgrounds and create conditions necessary for a successful job search and job retention.

In 2018, internal Coca-Cola HBC trainers held seven all-day workshops for children from children's homes. Our company employed two graduates of the project and offered short-term work experience, in the form of short-term jobs, to seven young people from children's homes or half-way houses. In 2018, we trained 492 young people in the Czech Republic. In Slovakia, a pilot of the project was launched at the end of the year, training 90 young people.

Do you want to know more?

www.cocacolatodas.com

#cocacolatodas

To dáš!

"Conducting the To dáš! workshops is always an eye-opening experience for me. I am always rewarded by the shine in the children's faces upon their departure, which often seemed nearly impossible at the beginning of the meeting."

Lucie Adamová,
Commercial Department Development Specialist



WE LIVE BY HELPING

STAFF VOLUNTEERING

Over seventy of our staff members logged more than **1 400 HOURS** in various charitable activities in 2018. Examples are tree-planting, ZOO cleaning, and helping the Salvation Army.

TERIBEAR MOVES PRAGUE

The traditional Teribear Moves Prague charitable run drew 422 of our employees and their family members. All together, they ran **5 610 KM**.

All together, they ran 5,610 km in Coca-Cola's colours, helping contribute nearly **CZK 180 000** for the initiatives of the Tereza Maxová Foundation.

DANUBE DAY

As is our tradition, we again supported the Danube Day in 2018, contributing **€ 10 454**.

The basin of Europe's second longest river links 13 European countries and more than 80 million people. On the occasion of the 10th anniversary of the signing of the Convention on Cooperation for the Protection and Sustainable Use of the Danube River, 29 June was declared Danube Day in 2004. Since then, the countries through which it passes take part in a joint celebration of the river, in the form of sports, cultural, environmental, and social events for the public, especially for children and young people.

CHARITY BREAKFASTS AND COLLECTIONS

We carried on with our tradition of charity breakfasts, holding them in Easter and Christmas versions. Thanks to the two events, nearly CZK 20,000 were collected, which the company doubled. The proceeds again went to the Tereza Maxová Foundation, to help improve the lives and fates of individual children and young people.

At the initiative of our Safety Department, we organised a staff collection that collected – including matching funds from the corporation – an incredible

CZK 175 000.

The money helped our former employee, Vladimír Bednář, who suffers from multiple sclerosis. This made it possible to install an automatic wheelchair platform that will make it easier for him and his family to move him around, and thanks to which Míra can spend time outdoors.

SUPPORTING COMMUNITY PROJECTS

In 2018, we supported **161 PROJECTS** in the Czech Republic and **54** in Slovakia. We also like to motivate our employees to get involved in the lives of communities in all corners of the Czech and Slovak Republics.

In 2018, through staff grants, we supported **134 EVENTS** in the two countries, which were attended by **35 729 PERSONS**, and where we handed out **1 976 PACKAGES** of our beverages.

ABOUT THIS REPORT

As a group, we issue a regular [Integrated Annual Report](#)

We also regularly report on our steps and activities concerning our sustainability commitments for the Czech Republic. We monitor and evaluate the needs and interests of our key partners and stakeholders.

We invite and verify the opinions and positions of our stakeholders through discussion fora for our partners, discuss these with key employees responsible for decision-making, as well as with external partners, and incorporate the relevant ones in our activities. We also approach our partners across 28 markets in which we operate, including the main group headquarters, and evaluate key topics identified by The Coca-Cola Company, other bottling companies, and companies involved in the food and beverage industry.

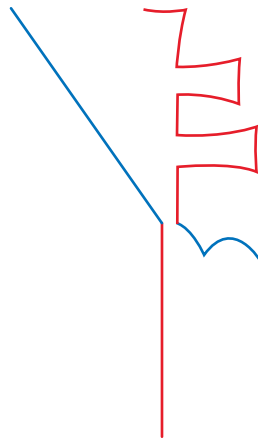
This report features information about our company for 2018.

If you have any questions or comments, please contact us:

Petr Jonák

Public Affairs and Sustainability Director

vnejsi-vztahy.cz@cchellenic.com



2018